GOVERNMENTOFANDHRAPRADESH

ABSTRACT

ITE&C DEPT - IT Promotion – AP Electronics Policy – 2014-2020 –Amendments to AP Electronics Policy 2014-20 to harmonise and increase the incentives to accelerate growth – Orders - Issued.

INFORMATION TECHNOLOGY, ELECTRONICS & COMMUNICATIONS (Promotion Wing) DEPARTMENT

GO MS.No.20 **Dated: 22.09.2016**

Read the following:

1. ICTPolicy2010-15issuedvideGo.Ms.No:9,IT&C(Promotions)Dept,dated07-07-2010
2. BluePrintforIT,Electronics&e-Governance2014.
3. G.O.Ms.No.16, Information Technology & Communications (Promotions) Department, Dated:09.09.2014.
4. G.O.Ms.No.7, Information Technology & Communications (Promotions) Department, Dated: 06.04.2015.
5. Cabinet Committee decisions in the meeting held on 06-09-2016.

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Vide ref 3rd and 4th read above Government have ordered AP Electronics Policy 2014-20 for promotion of investments in Electronic Industries in the new state of Andhra Pradesh.

2. Vide ref 5th read above the Council of Ministers in cabinet committee have decided certain amendments and additions to the G.O.Ms.No.16, Information Technology & Communications (Promotions) Department, Dated: 09.09.2014. and G.O.Ms.No.7, Information Technology & Communications (Promotions) Department, Dated: 06.04.2015, in order to simplify the incentive administration, encourage employment and support new electronic industries as well to support expansion of existing electronic industries.

3. After careful examination, the Government have issued orders including amendments to AP Electronics Policy 2014-20 vide Go. Ms. No:16, IT&C (Promotions) Dept., dated 09-09-2014 and vide Go. Ms. No:7, IT&C (Promotions) Dept., dated 06-04-2015.

   a) Amendments to existing Go.Ms.No:16,IT&C(Promotions)Dept.,dated 09-09-2014 and Go.MS No: 7,IT&C(Promotions)Dept.,dated06.04.2015

Sl. No:	**Existing Para in the GO MS No 16 ITE&C (Prom. Wing) dept. dated 09-09-2014 and Subsequent amendment GOMS No:7 dated 06.04.2015**	**Amendment (read as)**
	3A. A2 Fiscal Incentives GO MS No:16 v. Registration & Stamp Duty: Electronics industry shall be eligible for 100% reimbursement of the Stamp Duty, Transfer Duty and Registration Fee paid on sale/ lease deeds on the first transaction and 50% thereof on the second transaction.	The Fiscal Incentives in para 3A. A2 v, vii, viii, ix, x, xi, xii, xiii, xv of GOMS No: 16 and Items 1 and 2 in the table from GOMS No: 7 are amended as below:

vii. Patent Filing Cost: The cost of filing patents will be reimbursed to the companies having their headquarters in Andhra Pradesh, subject to a limit of Rs. 5 lakh (0.5 Million) per domestic patent awarded and Rs. 10 lakh (1 Million) per international patent awarded.

viii. Quality Certification: 50% subsidy on the expenses incurred for quality certification limited to Rs.4 Lakhs (0.4 Million) (Conformity European (CE), China Compulsory Certificate (CCC), UL Certification, ISO, CMM Certification, SA, RU etc.)

ix. Cleaner/Greener Production Measures: 25% subsidy on cleaner/ green production measures limited to Rs.10 Lakhs (1 Million).

x. Skill Up gradation & Training: 50% reimbursement/ grant of cost involved in skill up gradation & training the local manpower limited to Rs. 2,000per person.

xi. Investment Subsidy: 20% Investment Subsidy limited to Rs.20 lakhs (2 Million) for MSME and additional 5% investment subsidy for Women/SC/ST Entrepreneurs.

xii. Interest Rebate: 3% Interest Rebate limited to Rs.5 lakhs (0.5 Million) per year for 5 years

xiii. Capital Subsidy: 10% subsidy on new capital equipment for technology up gradation limited to Rs.25 lakhs (2.5 Million) as one time availment by the eligible company.

xv. Rebate on Land Cost: 25% Rebate on land cost limited to Rs.10 lakhs (1 Million) per acre in Industrial Estates, Industrial Parks, SEZ's, EMCs

Items 1 to 3 of the table from GO MS No:7

S.No.	Incentives	Amendment
1.	Capital Subsidy	10% of total investment*, up to INR 50 million or Rs. 5 Crores *Investment as defined in Indian Companies Act 1956.
2.	Interest Rebate (Interest Subsidy)	5% For a period of 7 years (subject to maximum of Rs. 1 crore per annum per unit)

- **Para 3A. A2** vii a). In case of Mega Projects, 30% of investment will be provided as subsidy, capped at Rs. 250 Crores.

- **Para 3A. A2** vii b). In case of General Projects, 25% of investment will be provided as subsidy, capped at Rs. 250 Crores

- **Para 3A. A2** vii c). In case of MSME/ BC/ SC/ ST/ Women/ Rural IT industries, 30% of investment will be provided as subsidy, capped at Rs. 250 Crores .

3A. A2 Fiscal Incentives

Para 3A. A2

vi. Power Subsidy:

a) 50% to Micro, 40% to small & 25% to medium & 10% to large-scale industry limited to Rs. 50 lakhs Power Subsidy on power bills for a period of 5 years from the date of commencement of commercial operations.

Para 3A. A2 viii.a). 25% Power subsidy for Mega Projects for a period of five years; 20% Power subsidy for all other categories of companies for a period of five years.

b) Additions to existing GOMS.No:16,IT&C(Promotions) Dept. dated 09-09-2014 and GOMS No: 7,IT&C(Promotions)Dept. dated 06.04.2015

i) Para 3A A1.(v) :

Land Usage: Mixed purpose land usage will be allowed up to 20% of the land allotted for employee recreation / Housing.

ii) Para 3A A1.(vi) a. :

Project Timelines: Companies which are allotted land shall follow the timelines as mentioned below:

- Start construction within 180 days
- Employment fulfillment in 3 years - 30%
- Employment fulfillment in 5 years - 70%
- Employment fulfillment in 6 years - 100%

iii) Para 3A A1.(vi) b.:

APIIC can take back allotted land on pro-rata basis in case of non-compliance of timelines or any other unfulfilled conditions.

iv) Para3.A.A2.(ix)

Training companies: Training Companies are eligible for investment subsidy of 50% or Rs. 1 Crore, whichever is lower.

4. Copy of this order is available on Internet and can be accessed at address http://goir.ap.gov.in

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

P.S.PRADYUMNA
SECRETARY TO GOVERNMENT (FAC)

To

All the Departments of Secretariat

The Commissioner and I.G., Stamps and Registration, Vijayawada

The Vice Chairman and Managing Director, APIIC, Vijayawada

The Commissioner, MA&UD Dept Vijayawada

The Director of Industries, Andhra Pradesh, Vijayawada

The Commissioner, Information and Public Relations, Andhra Pradesh, Vijayawada.

The Member Secretary, A.P. Pollution Control Board, Andhra Pradesh, Vijayawada

The Chairman & MD,APTRANSCO Vijayawada

The Managing Director, APEPDCL Visakhapatnam /APSPDCL Tirupati.

The Commissioner, Labour, Andhra Pradesh Vijayawada

The Vice Chairman, VUDA Visakhapatnam/TUDA, Tirupati /VGTMUDA Vijayawada

The Commissioner CRDA Vijayawada.

All the District Collectors & Magistrates,
All the Municipal Commissioners ,AP,
The Development Commissioner, VSEZ, Visakhapatnam
The Development Commissioner, AP IT SEZs Visakhapatnam
The Director, STPI, Andhra Pradesh
The President, ITAAP, Andhra Pradesh
The Regional Director, CII, Andhra Pradesh
The President, AP Chamber of Commerce
The President, ELIAP Member
The President, VITA Member
The Regional Chairman, ESC Member
The CEO AP E&IT Agency, Visakhapatnam
The CEO APIS ,Tirupati
The Regional Director, NASSCOM, Andhra Pradesh,

Copy to:
The Chief Minister's Office / Chief PRO to Hon"ble Chief Minister.
The Secretary to GOI, Ministry of Electronics & Information Technolog (MeitY),New Delhi.
The Chief Commissioner, Customs & Central Excise, Hyderabad.
The OSD to Minister for I&PR, Information Technology, Andhra Pradesh.
The PS to Minister for Finance, Hyderabad.
The PS to Minister for Major Industries, Andhra Pradesh.
The PS to Minister for Revenue, Andhra Pradesh.
The PS to Minister for MA&UD, Andhra Pradesh.
The PS to Minister for Energy, Andhra Pradesh.
The PS to Minister for Labour, Andhra Pradesh.
The PS to IT Advisor, Government of Andhra Pradesh.
The PS to Chief Secretary to Government of Andhra Pradesh.
The OSD to Joint Secretary to CM Andhra Pradesh.
The PS to Special CS Planning, Andhra Pradesh.
The PS to PFS, Andhra Pradesh.
The PS to Special Chief Secretary to CM & Advisor IT Promotions to Govt of AP.

// Forwarded :: By Order //

Joint Secretary to Government (HRD)i/c